

Remarks

The Office Action mailed October 7, 2005 has been carefully reviewed and the foregoing amendment has been made in consequence thereof.

Claims 1-37 are pending in this application. Claims 1-37 stand rejected.

In accordance with 37 C.F.R. 1.136(a), a three-month extension of time is submitted herewith to extend the due date of the response to the Office Action dated October 7, 2005, for the above-identified patent application from January 7, 2006, through and including April 7, 2006. In accordance with 37 C.F.R. 1.17(a)(3), authorization to charge a deposit account in the amount of \$1,020.00 to cover this extension of time request also is submitted herewith.

Applicants and the undersigned wish to express their appreciation to the Examiner for the courtesies she extended during a telephone interview that occurred on March 21, 2006. During the interview, the Office Action dated October 7, 2005 was discussed. More specifically, the undersigned advised the Examiner that the presently pending claims of this application include the allowable subject matter from an allowed sister-case (U.S. Patent Application No. 09/737,629).

During the telephone interview, the undersigned advised the Examiner that the present case has a sister-case recently allowed by the U.S. Patent Office. The sister-case is U.S. Patent Application No. 09/737,629 which is entitled Methods and Systems for Finding Value and Reducing Risk. Although the sister-case has been allowed by the Patent Office and the Issue Fee has been paid, the sister-case has not yet published as a U.S. Patent. As discussed on the telephone, Applicants respectfully submit that the presently pending claims include the allowable subject matter from the allowed sister-case. Accordingly, Applicants submit that the present case is in condition for allowance.

The undersigned further advised the Examiner that the cited references do not describe or teach underwriting each asset individually included within a first portion of the asset portfolio to calculate a value of each asset included within the first portion of the portfolio wherein

underwriting includes analyzing an asset in accordance with predetermined criteria, and *determining a current purchase price for buying the asset and a confidence factor associated with the determined purchase price based on the analysis.* (Emphasis added.) In fact, none of the cited references describe, teach or even mention determining a confidence factor as recited in the present claims.

The undersigned further advised that none of the cited references describe or suggest *grouping assets included within a third portion of the portfolio into clusters using descriptive attributes of the assets included within the third portion,* and statistically inferring a value of assets included within the third portion is *based on underwriting values and variances of the first and second portions of the portfolio.* (Emphasis added.)

In addition, the undersigned further advised that none of the cited references describe or suggest a portfolio of segmented assets including assets included within the first portion having at least one of an original value that is larger than the original value of the assets included within the second and third portions, and a variance that is smaller than the variances of the assets included within the second and third portions.

The following remarks have been made in consequence of the Examiner Interview. Accordingly, Applicants respectfully submit that the present patent application is in condition for allowance.

The rejection of Claims 1-37 under 35 U.S.C. § 103(a) as being unpatentable over Marpe et al. (U.S. Patent No. 6,671,693) (“Marpe”) and Hartnett (U.S. Patent No. 6,112,188) is respectfully traversed.

Applicants respectfully submit that neither Marpe nor Hartnett, considered alone or in combination, describe or suggest the claimed invention. As discussed below, at least one of the differences between the cited references and the present invention is that no combination of Marpe and Hartnett describe or suggest a method that includes accumulating knowledge from prior due diligence exercises including valuating assets in a portfolio individually and collectively by *segmenting the portfolio of assets into three valuation portions* and by

underwriting each asset individually included within a first portion of the asset portfolio to calculate a value of each asset included within the first portion of the portfolio wherein underwriting includes analyzing an asset in accordance with predetermined criteria, and determining a current purchase price for buying the asset and a confidence factor associated with the determined purchase price based on the analysis. (Emphasis added.)

Notably, neither Marpe nor Hartnett, alone or in combination describe or suggest determining a current purchase price for buying the asset and *a confidence factor associated with the determined purchase price*. The Office Action does not specifically address the determining a confidence factor as recited in Claim 1.

Moreover, no combination of Marpe and Hartnett describe or suggest a method that includes accumulating knowledge from prior due diligence exercises including valuating assets in a portfolio individually and collectively by segmenting the portfolio of assets into three valuation portions and by grouping and underwriting a sample of assets included within a second portion of the asset portfolio to calculate a value of each asset included within the second portion of the portfolio based on the underwritten sample assets, each sample asset having descriptive attributes common to at least one non-sample asset included within the second portion such that each sample asset represents at least one non-sample asset included within the second portion.

Furthermore, no combination of Marpe and Hartnett describe or suggest a method that includes accumulating knowledge from prior due diligence exercises including valuating assets in a portfolio individually and collectively by segmenting the portfolio of assets into three valuation portions and by using the computer to statistically infer a value for assets included within a third portion of the asset portfolio using an iterative process *including grouping the assets included within the third portion of the portfolio into clusters using descriptive attributes of the assets included within the third portion, wherein the statistically inferring a value of assets included within the third portion is based on underwriting values and variances of the first and second portions of the portfolio. (Emphasis added.)*

Notably, neither Marpe nor Hartnett, alone or in combination describe or suggest *grouping assets included within a third portion of the portfolio into clusters using descriptive*

attributes of the assets included within the third portion, and statistically inferring a value of assets included within the third portion is based on underwriting values and variances of the first and second portions of the portfolio. (Emphasis added.)

In addition, neither Marpe nor Hartnett, alone or in combination, describe or suggest a portfolio of segmented assets including assets included within the first portion having at least one of an original value that is larger than the original value of the assets included within the second and third portions, and a variance that is smaller than the variances of the assets included within the second and third portions.

Marpe describes collecting and disseminating information which is retrieved from multiple users in a plurality of categories. Access is provided to the data via an interface which lists the data categories. The user can subscribe to a data category and access the data category. In other words, Marpe describes information being retrieved from a plurality of categories.

Hartnett describes a process of privatization of state-owned property that is directed to countries looking to transfer state-owned property to privately-owned property. According to Hartnett, each enterprise to be privatized is to undergo a process that includes preparing a privatization business plan. The privatization business plan is reviewed by a Privatization Board. Once approved, an effective privatization date is established. On the effective privatization date, the enterprise begins to execute its privatization business plan. In accordance with the plans laid out in the privatization business plan, the enterprise begins restructuring. When the enterprise leadership has reason to believe that the goal for demonopolization set in the privatization business plan has been met, then the enterprise may submit an application for certification of demonopolization to the Privatization Board. The Privatization Board again has the options of approving, disapproving, or negotiating changes to the application. When an application for certification of demonopolization has been approved, then the Privatization Board will establish an effective demonopolization date. On the effective demonopolization date, the compensation stock from the stock compensation plans initiated on the effective privatization date will vest. At this point privatization may be considered complete.

Hartnett further describes how the tasks of privatization are divided among two (2) computerized tools which are to be used to implement privatization. The tasks are divided into substantially two groups: planning tasks and transactional tasks. Planning tasks are supported by a tool known as PRIVATIZATION PLANNER.TM, which enables the establishment of policy, the formulation of plans, the setting of goals and dates, and the customization of the tools for supporting the transactional tasks. The transactional tasks are supported by a tool known as PRIVATIZE!.TM, which permits the economic leadership of a country to process transactions submitted by portfolio owners and delegates of portfolio owners concerning the enterprises owned, support enterprise polled shareholder voting and support auctions of other state property.

Claim 1 recites a method for collaborating on due diligence issues to affect efficient asset underwriting and process knowledge building within due diligence teams using a computer system coupled to a data repository, the method includes “accumulating knowledge from prior due diligence exercises including valuating assets in a portfolio individually and collectively by segmenting the portfolio of assets into three valuation portions and by...underwriting each asset individually included within a first portion of the asset portfolio to calculate a value of each asset included within the first portion of the portfolio, wherein underwriting includes analyzing an asset in accordance with predetermined criteria, and determining a current purchase price for buying the asset and a confidence factor associated with the determined purchase price based on the analysis...grouping and underwriting a sample of assets included within a second portion of the asset portfolio to calculate a value of each asset included within the second portion of the portfolio based on the underwritten sample assets, each sample asset having descriptive attributes common to at least one non-sample asset included within the second portion such that each sample asset represents at least one non-sample asset included within the second portion...and using the computer to statistically infer a value for assets included within a third portion of the asset portfolio using an iterative process including grouping the assets included within the third portion of the portfolio into clusters using descriptive attributes of the assets included within the third portion, wherein the statistically inferring a value of assets included within the third portion is based on underwriting values and variances of the first and second portions of the portfolio...wherein the portfolio of segmented assets includes assets included within the first

portion having at least one of an original value that is larger than the original value of the assets included within the second and third portions, and a variance that is smaller than the variances of the assets included within the second and third portions...storing the accumulated knowledge in the data repository...accessing the stored, accumulated knowledge in the data repository from prior due diligence exercises...conducting a current due diligence exercise...applying the accumulated knowledge from past due diligence exercises to the current due diligence exercise...and storing newly accumulated knowledge from the current due diligence exercise into the data repository of accumulated knowledge.”

The Office Action asserts that Marpe discloses “a method, system and computer for collaborating on due diligence issues to affect efficient knowledge building within due diligence teams...said method comprising the steps of: accessing stored accumulated knowledge in a repository from prior due diligence exercises...conducting a current due diligence exercise...applying the accumulated knowledge from past due diligence exercises to the current due diligence exercises...and storing newly accumulated knowledge from the current due diligence exercise into the repository of accumulated knowledge”. Applicants traverse these assertions.

The Office Action acknowledges at page 5 that Marpe does not teach “valuating assets in a portfolio individually and collectively by segmenting the portfolio of assets into three valuation portions and by underwriting each asset individually included within a first portion of the asset portfolio, grouping and underwriting a sample of assets included within a second portion of the asset portfolio, and using the computer to statistically infer a value for assets included within a third portion of the asset portfolio.”

However, the Office Action further asserts that Hartnett discloses “valuating assets in a portfolio individually and collectively by segmenting the portfolio of assets into three valuation portions...and by underwriting each asset individually included within a first portion of the asset portfolio to calculate a value of each asset included within the first portion of the portfolio, wherein underwriting included analyzing an asset based on predetermined criteria and determining a purchase price for the asset...grouping and underwriting a sample of assets

included within a second portion of the asset portfolio...and using the computer to statistically infer a value for assets included within a third portion of the asset portfolio using an iterative process including grouping the assets into clusters based on underwriting values and variances of the first and second portions of the portfolio.” Applicants traverse these assertions and will address each recitation hereinbelow.

Applicants respectfully submit that Hartnett does not describe or teach *underwriting each asset individually included within a first portion of the asset portfolio* to calculate a value of each asset included within the first portion of the portfolio wherein underwriting includes analyzing an asset in accordance with predetermined criteria, and *determining a current purchase price for buying the asset and a confidence factor associated with the determined purchase price based on the analysis*. (Emphasis added.) The Office Action asserts that Hartnett describes at col. 27, lines 25-32 “underwriting each asset individually included within a first portion of the asset portfolio”. However, col. 27, lines 25-32 of Hartnett provides as follows:

Other assets contemplated as being traded in accordance with the PRIVATIZE!.TM. (a new system to achieve universal privatization) embodiment of this aspect of the invention include stock or debt in specific enterprises, debt of governments or financial institutions, foreign currency, price level adjusted mortgages, in addition to flexibly specified annuities which are keyed to standardized actuarial tables and priced according to their implicit interest rate.

This section of Hartnett does not describe underwriting each asset individually within a first portion of an asset portfolio. Rather, it merely describes that the Hartnett process contemplates trading several different types of assets. Hartnett does not describe or teach *underwriting each asset individually included within a first portion of the asset portfolio* to calculate a value of each asset included within the first portion of the portfolio wherein *underwriting includes analyzing an asset in accordance with predetermined criteria, and determining a current purchase price for buying the asset and a confidence factor associated with the determined purchase price based on the analysis*. (Emphasis added.)

In fact, Hartnett teaches away from the concept of underwriting each asset individually included within an asset portfolio. Specifically, Hartnett provides at col. 26, lines 45-64 that:

PRIVATIZE!.TM. (a new system to achieve universal privatization) is a computerized tool to support free markets in newly democratic nations. The tool is capable of implementing any privatization policy chosen by government policy makers, and in particular includes a capability to support distribution of shares in large state enterprises to an entire citizenry. *Universal distribution of at least a portion of public assets, such as large state enterprises, can completely avoid the need to value such assets prior to privatization.* This is advantageous in developing economies without any adequate means of achieving such valuations. *It is also advantageous in and applicable to developed economies because it can avoid the large absolute inefficiency associated with even a modest relative underwriting valuation error.* Legislation or a decree can vest in each citizen privatization rights in the form of Stock Market Units (SMUs). SMUs are a way to aggregate rights to equity in state enterprises into a current private asset, by defining a new financial instrument composed of one share in each enterprise due to be privatized over a fixed interval. (Emphasis added.)

In other words, one of the advantages of the Hartnett system is that universal distribution of at least a portion of public assets can completely avoid the need to value such assets prior to privatization. Accordingly, the Hartnett system does not require underwriting each asset individually included within an asset portfolio to calculate a value of each asset included within the portfolio.

Additionally, Hartnett does not describe or teach *determining a current purchase price for buying the asset and a confidence factor associated with the determined purchase price based on the analysis.* (Emphasis added.) In fact, Hartnett does even mention determining a confidence factor as recited in the present claims.

Applicants further submit that Hartnett does not describe or teach *grouping and underwriting a sample of assets included within a second portion of the asset portfolio* to calculate a value of each asset included within the second portion of the portfolio based on the underwritten sample assets wherein each sample asset has descriptive attributes common to at least one non-sample asset included within the second portion such that each sample asset represents at least one non-sample asset included within the second portion. (Emphasis added.)

The Office Action asserts that Hartnett describes at col. 25, lines 60-63 “grouping and underwriting a sample of assets included within a second portion of the asset portfolio”.

However, col. 25, lines 56-63 of Hartnett provides as follows:

PRIVATIZATION PLANNER.TM. (a system to help plan for privatization) also provides an interface to a simulation of the PRIVATIZE!.TM. (a new system to achieve universal privatization) computerized marketplace, allowing users to simulate portfolio transactions and asset prices using the methods contained in the PRIVATIZE!.TM. (a new system to achieve universal privatization) tool.

Applicants respectfully submit that merely describing a system that allows users to simulate portfolio transactions and asset prices does not describe or teach *grouping and underwriting a sample of assets included within a second portion of the asset portfolio to calculate a value of each asset included within the second portion of the portfolio based on the underwritten sample assets* wherein each sample asset has descriptive attributes common to at least one non-sample asset included within the second portion such that each sample asset represents at least one non-sample asset included within the second portion. (Emphasis added.)

In fact, Applicants respectfully submit that Hartnett does not describe, teach or even mention *grouping and underwriting a sample of assets* to calculate a value of each asset included within a portion of an asset portfolio.

Applicants further submit that Hartnett does not describe or teach using the computer to statistically infer a value for assets included within a third portion of the asset portfolio using an iterative process including *grouping the assets included within the third portion of the portfolio into clusters using descriptive attributes of the assets included within the third portion, wherein the statistically inferring a value of assets included within the third portion is based on underwriting values and variances of the first and second portions of the portfolio*. (Emphasis added.) The Office Action asserts that Hartnett describes at col. 30, lines 22-28 statistically inferring a value for assets included within a third portion of an asset portfolio. However, col. 30, lines 22-28 of Hartnett provides as follows:

In a second pass, module PASS2 uses those approximate prices to value portfolio assets. Asset valuations are used to approximate the total amount of offers to lend to each entity, by maturity and interest rate. This information is made available to potential large borrowers to provide them with a brief opportunity to update their bids to borrow money, as expressed in appropriate ACQUIRE transactions.

Applicants respectfully submit that merely describing a system that uses approximate prices to value portfolio assets as discussed in Hartnett does not describe or teach statistically inferring a

value for assets included within a third portion of the asset portfolio using an iterative process including *grouping the assets included within the third portion of the portfolio into clusters using descriptive attributes of the assets included within the third portion, wherein the statistically inferring a value of assets included within the third portion is based on underwriting values and variances of the first and second portions of the portfolio.* (Emphasis added.)

In fact, Hartnett does not describe, suggest or even mention *grouping assets included within a third portion of a portfolio into clusters using descriptive attributes of the assets included within the third portion.* Rather, Hartnett describes a system that “generates an initial approximation of asset prices” from PASS1 for all assets in the transaction database (XDB). (Col. 30, lines 10-21.) Additional passes are then performed. For example, PASS2 uses approximate prices to value portfolio assets; PASS3 uses the delegatee compensation threshold to determine which delegation offers are actually consummated and generates a second approximation of asset prices; PASS4 uses the second approximation prices to determine whether to use a price-dependent ACQUIRE transaction or an available alternative specified in an immediately following ELSE transaction; PASS5 conducts a fifth and last pass to execute transactions as appropriate, update portfolio valuations, and create a Disposition File (DF) containing records of assets to be dispensed by custodial financial institutions. However, Hartnett does not describe or teach *grouping assets included within a third portion of a portfolio into clusters using descriptive attributes* of the assets included within the third portion.

Further, Hartnett does not describe or teach statistically inferring a value of assets included within a third portion that is *based on underwriting values and variances of the first and second portions of the portfolio.* Rather, Hartnett describes a system that “generates an initial approximation of asset prices” from PASS1 for all assets in the transaction database (XDB). (Col. 30, lines 10-21.) Additional passes are then performed. However, none of the passes described in Hartnett statistically infer a value of assets included within a third portion that is *based on underwriting values and variances of the first and second portions of the portfolio.*

Furthermore, Applicants submit that Hartnett does not describe or teach a portfolio of segmented assets that includes assets included within the first portion having at least one of an

original value that is larger than the original value of the assets included within the second and third portions, and a variance that is smaller than the variances of the assets included within the second and third portions. The Office Action asserts that Hartnett discloses segmenting assets “within a portfolio into several portions/categories based on the asset type such as stock, debt, foreign currency, annuity, etc.” Applicants traverse this assertion. Moreover, Applicants submit that Hartnett does not describe or teach a portfolio of segmented assets including assets included within the first portion having at least one of an original value that is larger than the original value of the assets included within the second and third portions, and a variance that is smaller than the variances of the assets included within the second and third portions. Accordingly, for at least the reasons set forth above, Applicants respectfully submit that Claim 1 is patentable over Marpe and Hartnett.

For at least the reasons as set forth above, Applicants respectfully request that the 35 U.S.C. § 103(a) rejection of Claim 1 be withdrawn.

Claims 2-12 depend from independent Claim 1 which is submitted to be in condition for allowance. When the recitations of Claims 2-12 are considered in combination with the recitations of Claim 1, Applicants submit that dependent Claims 2-12 are also patentable over Marpe and Hartnett.

Claim 13 recites a system for enabling a due diligence team collaborating on due diligence issues to obtain efficient knowledge building that includes at least one computer, and at least one server configured to “store accumulated knowledge in a data repository from prior due diligence exercises including data relating to valuating assets in a portfolio by...segmenting the portfolio of assets into three valuation portions...underwriting each asset included within a first portion of the asset portfolio to calculate a value of each asset included within the first portion of the portfolio, wherein underwriting includes analyzing an asset in accordance with predetermined criteria, and determining a current purchase price for buying the asset and a confidence factor associated with the determined purchase price based on the analysis...grouping and underwriting a sample of assets included within a second portion of the asset portfolio to calculate a value of each asset included within the second portion of the portfolio based on the

underwritten sample assets, each sample asset having descriptive attributes common to at least one non-sample asset included within the second portion such that each sample asset represents at least one non-sample asset included within the second portion...and statistically inferring a value for each asset included within a third portion of the asset portfolio using an iterative process including grouping the assets included within the third portion of the portfolio into clusters using descriptive attributes of the assets included within the third portion, wherein the statistically inferring a value of assets included within the third portion is based on underwriting values and variances of the first and second portions of the portfolio...wherein the portfolio of segmented assets includes assets included within the first portion having at least one of an original value that is larger than the original value of the assets included within the second and third portions, and a variance that is smaller than the variances of the assets included within the second and third portions...access the stored, accumulated knowledge in the data repository from prior due diligence exercises for a current due diligence exercise...apply the accumulated knowledge from past due diligence exercises to the current due diligence exercise...and store newly accumulated knowledge from the current due diligence exercise into the data repository of accumulated knowledge...and a network connecting said at least one computer to said server.”

Claim 13, as herein amended, recites a system comprising, among other things, at least one server configured to perform steps essentially similar to those recited in Claim 1. Thus, it is submitted that Claim 13 is patentable over the combination of Marpe and Hartnett for reasons that correspond to those given with respect to Claim 1.

For at least the reasons as set forth above, Applicants respectfully request that the 35 U.S.C. § 103(a) rejection of Claim 13 be withdrawn.

Claims 14-24 depend from independent Claim 13 which is submitted to be in condition for allowance. When the recitations of Claims 14-24 are considered in combination with the recitations of Claim 13, Applicants submit that dependent Claims 14-24 are also patentable over Marpe and Hartnett.

Claim 25 recites a computer configured to provide a due diligence team collaborating on due diligence issues with efficient knowledge building that is programmed to “accumulate

knowledge from prior due diligence exercises including valuating assets in a portfolio individually by segmenting the portfolio of assets into three valuation portions and by...underwriting each asset included within a first portion of the asset portfolio to calculate a value of each asset included within the first portion of the portfolio, wherein underwriting includes analyzing an asset in accordance with predetermined criteria, and determining a current purchase price for buying the asset and a confidence factor associated with the determined purchase price based on the analysis...grouping and underwriting a sample of assets included within a second portion of the asset portfolio to calculate a value of each asset included within the second portion of the portfolio based on the underwritten sample assets, each sample asset having descriptive attributes common to at least one non-sample asset included within the second portion such that each sample asset represents at least one non-sample asset included within the second portion...and statistically inferring a value and risk for each asset included within a third portion of the asset portfolio using an iterative process including grouping the assets included within the third portion of the portfolio into clusters using descriptive attributes of the assets included within the third portion, wherein the statistically inferring is based on underwriting values and variances of the first and second portions of the portfolio...wherein the portfolio of segmented assets includes assets included within the first portion having at least one of an original value that is larger than the original value of the assets included within the second and third portions, and a variance that is smaller than the variances of the assets included within the second and third portions...store the accumulated knowledge in a data repository...access the stored, accumulated knowledge in the data repository from prior due diligence exercises...conduct a current due diligence exercise...apply the accumulated knowledge from past due diligence exercises to the current due diligence exercise...and store newly accumulated knowledge from the current due diligence exercise into the data repository of accumulated knowledge.”

Claim 25, as herein amended, recites a computer programmed to perform steps essentially similar to those recited in Claim 1. Thus, it is submitted that Claim 25 is patentable over the combination of Marpe and Hartnett for reasons that correspond to those given with respect to Claim 1.

For at least the reasons as set forth above, Applicants respectfully request that the 35 U.S.C. § 103(a) rejection of Claim 25 be withdrawn.

Claims 26-36 depend from independent Claim 25 which is submitted to be in condition for allowance. When the recitations of Claims 26-36 are considered in combination with the recitations of Claim 25, Applicants submit that dependent Claims 26-36 are also patentable over Marpe and Hartnett.

Claim 37 recites a method for collaborating on due diligence issues to affect efficient knowledge building within due diligence teams using a computer system coupled to a data repository, the method including “accumulating knowledge from prior due diligence exercises including valuating assets in a portfolio individually by segmenting the portfolio of assets into three valuation portions and by...fully underwriting each asset included within a first portion of the asset portfolio including underwriting in a full cash manner to generate a full value table, and underwriting in a partial cash manner to generate a partial value table, wherein underwriting includes analyzing an asset in accordance with predetermined criteria, and determining a current purchase price for buying the asset and a confidence factor associated with the determined purchase price based on the analysis...grouping and underwriting a sample of assets included within a second portion of the asset portfolio to calculate a value of each asset included within the second portion of the portfolio based on the underwritten sample assets, each sample asset having descriptive attributes common to at least one non-sample asset included within the second portion such that each sample asset represents at least one non-sample asset included within the second portion...and using the computer to statistically infer a value for each asset included within a third portion of the asset portfolio using an iterative process including grouping the assets included within the third portion of the portfolio into clusters using descriptive attributes of the assets included within the third portion, wherein the statistically inferring a value of assets included within the third portion is based on underwriting values and variances of the first and second portions of the portfolio...wherein the portfolio of segmented assets includes assets included within the first portion having at least one of an original value that is larger than the original value of the assets included within the second and third portions, and a variance that is smaller than the variances of the assets included within the second and third portions...storing

the accumulated knowledge in the data repository...accessing the stored, accumulated knowledge in the data repository from prior due diligence exercises...conducting a current due diligence exercise...applying the accumulated knowledge from past due diligence exercises to the current due diligence exercise...and storing newly accumulated knowledge from the current due diligence exercise into the data repository of accumulated knowledge.”

Claim 37, as herein amended, recites a method that includes steps essentially similar to those recited in Claim 1. Thus, it is submitted that Claim 37 is patentable over the combination of Marpe and Hartnett for reasons that correspond to those given with respect to Claim 1.

In addition, Claim 37 recites “fully underwriting each asset included within a first portion of the asset portfolio including underwriting in a full cash manner to generate a full value table, and underwriting in a partial cash manner to generate a partial value table....” No combination of Marpe and Hartnett describes, suggests or even mentions *underwriting in a full cash manner to generate a full value table or underwriting in a partial cash manner to generate a partial value table*. (Emphasis added.) Accordingly, Applicants respectfully submit that Claim 37 is patentable over Marpe and Hartnett.

For at least the reasons as set forth above, Applicants respectfully request that the 35 U.S.C. § 103(a) rejection of Claim 37 be withdrawn.

In addition, Applicants also respectfully submit that the Section 103 rejection of Claims 1-37 is not a proper rejection. Obviousness cannot be established by merely suggesting that it would have been obvious to one of ordinary skill in the art to modify Marpe using the teachings of Hartnett. More specifically, as is well established, obviousness cannot be established by combining the teachings of the cited art to produce the claimed invention, absent some teaching, suggestion, or incentive supporting the combinations. It is impermissible to use the claimed invention as an instruction manual or "template" to piece together the teachings of the prior art so that the claimed invention is rendered obvious. Specifically, one cannot use hindsight reconstruction to pick and choose among isolated disclosures in the prior art to deprecate the claimed invention. Further, it is impermissible to pick and choose from any one reference only

so much of it as will support a given position, to the exclusion of other parts necessary to the full appreciation of what such reference fairly suggests to one of ordinary skill in the art.

As the Federal Circuit has recognized, obviousness is not established merely by combining references having different individual elements of pending claims. Ex parte Levengood, 28 U.S.P.Q.2d 1300 (Bd. Pat. App. & Inter. 1993). MPEP 2143.01. Rather, there must be some suggestion, outside of Applicants' disclosure, in the prior art to combine such references, and a reasonable expectation of success must be both found in the prior art, and not based on Applicants' disclosure. In re Vaeck, 20 U.S.P.Q.2d 1436 (Fed. Cir. 1991). In the present case, neither suggestion nor motivation to combine the prior art disclosures, nor any reasonable expectation of success has been shown.

Neither Marpe nor Hartnett, considered alone or in combination, describe or suggest the combination(s) in Claims 1-37. Rather, the Section 103 rejection of Claims 1-37 appears to be based on a combination of teachings selected from multiple patents in an attempt to arrive at the claimed invention. Specifically, Marpe describes a system for collecting and disseminating information, and Hartnett describes a process of privatization of state-owned property intended to be utilized by countries looking to transfer state-owned property to privately-owned property. Since there is neither teaching nor suggestion for the combination of Marpe and Hartnett, the Section 103 rejection appears to be based on a hindsight reconstruction in which isolated disclosures have been picked and chosen in an attempt to deprecate the present invention. Of course, such a combination is impermissible, and for this reason also, Applicants request that the Section 103 rejection of Claims 1-37 be withdrawn.

For at least the reasons set for above, Applicants respectfully request that the Section 103 rejection of Claims 1-37 be withdrawn.

In view of the foregoing amendments and remarks, all the claims now active in this application are believed to be in condition for allowance. Reconsideration and favorable action is respectfully solicited.

Respectfully Submitted,

A handwritten signature in cursive script, appearing to read "Daniel M. Fitzgerald", is written over a horizontal line.

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